

**COUNTY COUNCIL**

**OF**

**HARFORD COUNTY, MARYLAND**

**BILL NO. 98-34**

Introduced by Council President Parrott at the request of the County Executive

Legislative Session Day No. 98-34

Date: July 21, 1998

**AN ORDINANCE approving and providing for a multi-year Installment Purchase Agreement by Harford County, Maryland to acquire development rights in up to 301 acres of agricultural land located at 1644 Jerrys Road, Street, Maryland from Imo Jean Trout, or any other owner thereof for a maximum purchase price of \$1,916.97 per acre or portion thereof (excluding one acre for any existing residential dwelling); providing that the County's obligation to pay such purchase price and interest thereon shall be a full faith and credit general obligation of the County; providing for the levying of taxes for such payments; authorizing the County Executive to make modifications in such Agreement under certain circumstances; providing for and determining various matters in connection therewith.**

By the Council, July 21, 1998

Introduced, read first time, ordered posted and public hearing scheduled

on: August 18, 1998

at: 6:15 p.m.

By Order: Mary Kate Flaherty, Acting Administrator

**PUBLIC HEARING**

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on August 18, 1998, and concluded on August 18, 1998.

Diane Swint Lewis,  
Acting Administrator

**EXPLANATION:**

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

RECITALS

1  
2 In accordance with the provisions of Section 524 of the  
3 Charter of Harford County (the "Charter"), the Annual Budget and  
4 Appropriation Ordinance of Harford County, Maryland (the "County")  
5 the Budget for fiscal year 1999, Bill No. 98-13 (the "Budget  
6 Ordinance") includes a project permitting the County to enter into  
7 installment purchase agreements to acquire development rights in  
8 agricultural lands located within the County, which Budget  
9 Ordinance was adopted by the County Council of Harford County,  
10 Maryland (the "County Council") as part of the Budget Ordinance, in  
11 accordance with the Charter.

12 Section 520 of the Charter provides that "any contract, lease  
13 or other obligation in excess of three thousand dollars (\$3,000)  
14 requiring the payment of funds from the appropriations of a later  
15 fiscal year shall be authorized by legislative act, and Section 524  
16 of the Charter provides that the County may incur debt and pursuant  
17 to Bill No. 93-2 passed by the County Council on April 6, 1993,  
18 approved by the County Executive of the County on April 20, 1993,  
19 and effective on June 21, 1993 (the "Authorizing Act"), the County  
20 has been authorized and empowered to enter into installment  
21 purchase agreements to purchase easements for agricultural land  
22 preservation purposes.

23 The Authorizing Act provides that after review by the Harford  
24 County Agricultural Advisory Board in accordance with the County's  
25 Easement Priority Ranking System and approval by the Harford County  
26 Board of Estimates, the County Council, may approve and provide for

1 the acquisition of the development rights in each particular parcel  
2 of agricultural land, as defined in the Authorizing Act.

3 Attached to this Ordinance as Exhibit A is an application to  
4 sell a development rights easement signed by the landowner where  
5 agricultural land is the subject of this Ordinance.

6 Attached to this Ordinance as Exhibit B are records of The  
7 Harford County Agricultural Advisory Board evaluating all  
8 applications to offer development right easements to the County,  
9 with each application ranked pursuant to the County's easement  
10 priority ranking system.

11 The County has now determined to enter into an Installment  
12 Purchase Agreement with Imo Jean Trout, or any other person who is  
13 or becomes the owner of all or any portion of the Land (hereinafter  
14 defined) prior to execution and delivery of such Agreement, in  
15 order to acquire the development rights in approximately 301 acres,  
16 more or less, of agricultural land located at 1644 Jerrys Road,  
17 Street, Maryland within the County for an aggregate purchase price  
18 not in excess of \$577,007.97, plus interest thereon, the actual  
19 amount of the purchase price to be equal to the lesser of such  
20 maximum amount or \$1,916.97 times the number of acres in such land  
21 (minus one acre for any existing residential dwelling located  
22 thereon), upon the terms and conditions hereinafter set forth.

23 NOW, THEREFORE:

24 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD  
25 COUNTY, MARYLAND, That

1           (a) Harford County, Maryland (the "County") shall enter  
2 into an Installment Purchase Agreement (the "Installment Purchase  
3 Agreement") with Imo Jean Trout or any person who is or becomes the  
4 owner of all or any portion of the Land (hereinafter defined) prior  
5 to the execution and delivery of the Installment Purchase Agreement  
6 (the "Seller") in order to acquire the development rights in  
7 approximately 301 acres of land, more or less, located at 1644  
8 Jerrys Road, Street, Maryland within the County (the "Land"), for  
9 an aggregate purchase price not in excess of \$577,007.97 (the  
10 "Purchase Price"), plus interest thereon as hereinafter provided;  
11 provided that the actual amount of the Purchase Price shall be  
12 equal to the lesser of such maximum amount or \$1,916.97 multiplied  
13 by the number of acres in the Land (minus one acre for any existing  
14 residential dwelling located thereon);

15           (b) The Installment Purchase Agreement shall be in  
16 substantially the form attached hereto as Exhibit C and made a part  
17 hereof, and in such form the Installment Purchase Agreement is  
18 hereby approved as to form and content. The Installment Purchase  
19 Agreement shall be dated as of the date of its execution and  
20 delivery by the County and the Seller (the "Closing Date");

21           (c) A portion of the Purchase Price, in the amount  
22 determined as hereinafter provided, shall be paid in cash on the  
23 Closing Date. The balance of the Purchase Price shall be paid to  
24 the Seller in each year thereafter to and including a date not more  
25 than twenty (20) years after the Closing Date. The dates on which  
26 each such installment is payable shall be determined by the County

1 Executive and the Treasurer and shall be inserted in the form of  
2 the Installment Purchase Agreement attached hereto as Exhibit C;

3 (d) Interest on the unpaid balance of the Purchase Price  
4 shall accrue from the Closing Date and shall be payable at least  
5 annually in each year, commencing on the first of such dates to  
6 follow the Closing Date and continuing to and including a date not  
7 more than 20 years after the Closing Date at an interest rate equal  
8 to the yield on U.S. Treasury STRIPS maturing on the date next  
9 preceding the final maturity date in the Installment Purchase  
10 Agreement determined as of the business day preceding the Closing  
11 Date and rounded to the next highest 0.05% per annum. Interest  
12 shall be calculated on the basis of a 360-day year of twelve 30-day  
13 months;

14 (e) The County's obligation to make payments of the  
15 Purchase Price under the Installment Purchase Agreement and to pay  
16 interest thereon is and shall be a general obligation of the County  
17 and is and shall be made upon its full faith and credit.

18 SECTION 2. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
19 HARFORD COUNTY, MARYLAND,

20 That it is hereby found and determined that:

21 (a) The acquisition of the development rights in the  
22 Land as set forth in Section 1 of this Ordinance and in the form of  
23 the Installment Purchase Agreement attached hereto as Exhibit C is  
24 in the best interests of the County;

25 (b) The Installment Purchase Agreement is a contract  
26 providing for the payment of funds at a time beyond the fiscal year

1 in which it is made and requires the payment of funds from  
2 appropriations of later fiscal years;

3 (c) Funds for the payment of the Purchase Price under  
4 the Installment Purchase Agreement are included in the Budget  
5 Ordinance, As Amended;

6 (d) The County shall acquire the development rights in  
7 the Land in perpetuity;

8 (e) The Purchase Price is within the legal limitation on  
9 the indebtedness of the County as set forth in Article 25A, § 5(P)  
10 of the Annotated Code of Maryland;

11 (f) The cost of acquiring the development rights in the  
12 Land is equal to the Purchase Price;

13 (g) The only practical way to acquire the development  
14 rights in the Land is by private negotiated agreement between the  
15 County and the Seller.

16 SECTION 3. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
17 HARFORD COUNTY, MARYLAND, That the Installment Purchase Agreement  
18 shall be signed by the County Executive of the County (the "County  
19 Executive") by her manual signature, and the Installment Purchase  
20 Agreement shall bear the corporate seal of the County, attested by  
21 the manual signature of the Director of Administration of the  
22 County (the "Director of Administration"). In the event that any  
23 officer whose signature shall appear on the Installment Purchase  
24 Agreement shall cease to be such officer before the delivery of the  
25 Installment Purchase Agreement, such signature shall nevertheless

1 be valid and sufficient for all purposes, the same as if such  
2 officer had remained in office until delivery.

3 SECTION 4. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
4 HARFORD COUNTY, MARYLAND, That the County Executive and the  
5 Treasurer are hereby authorized, prior to execution and delivery of  
6 the Installment Purchase Agreement, to make such changes or  
7 modifications in the form of the Installment Purchase Agreement  
8 attached hereto as Exhibit C as may be required or deemed  
9 appropriate by them in order to accomplish the purpose of the  
10 transactions (including, but not limited to, determining the  
11 portion of the Purchase Price to be paid in cash on the Closing  
12 Date and establishment of interest and principal payment dates in  
13 each year that the Installment Purchase Agreement is outstanding)  
14 authorized by this Ordinance; provided that such changes shall be  
15 within the scope of the transactions authorized by this Ordinance  
16 and the execution of the Installment Purchase Agreement by the  
17 County Executive shall be conclusive evidence of the approval by  
18 the County Executive of all changes or modifications in the form of  
19 the Installment Purchase Agreement and shall thereupon become  
20 binding upon the County in accordance with its terms, as authorized  
21 by Section 524 of the Charter and the Authorizing Act  
22 (collectively, the "Enabling Legislation"), and as provided for in  
23 this Ordinance.

24 SECTION 5. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
25 HARFORD COUNTY, MARYLAND, That the County Executive, the Director  
26 of Administration, the Treasurer of the County and other officials

1 of the County are hereby authorized and empowered to do all such  
2 acts and things and to execute, acknowledge, seal and deliver such  
3 documents (including a Tax Certificate and Compliance Agreement)  
4 and certificates as the County Executive may determine to be  
5 necessary to carry out and comply with the provisions of this  
6 Ordinance subject to the limitations set forth in the Enabling  
7 Legislation and any limitations set forth in this Ordinance.

8 SECTION 6. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
9 HARFORD COUNTY, MARYLAND, That the Treasurer of the County is  
10 hereby designated and appointed as registrar and paying agent for  
11 the Installment Purchase Agreement (the "Registrar"). The  
12 Registrar shall maintain, or cause to be maintained, books of the  
13 County for the registration and transfer of ownership of the  
14 Installment Purchase Agreement. In addition, the County may, from  
15 time to time, designate and appoint the Department of the Treasury  
16 of the County, any officer or employee of the County or one or more  
17 banks, trust companies, corporations or other financial  
18 institutions to act as a substitute or alternate registrar or  
19 paying agent for the Installment Purchase Agreement, and any such  
20 substitute or alternate shall be deemed to be the Registrar or an  
21 alternate Registrar for all purposes specified in the resolution  
22 appointing such substitute or alternate. Any such appointment  
23 shall be made by the County Council by resolution and the exercise  
24 of such power of appointment, no matter how often, shall not be an  
25 exhaustion thereof.

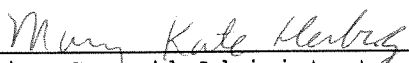


1        SECTION 7.    BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
2    HARFORD COUNTY, MARYLAND, That for the purpose of paying the  
3    installments of the Purchase Price when due and payable and the  
4    interest on the unpaid portion of the Purchase Price when due and  
5    payable, there is hereby levied, and there shall hereafter be  
6    levied in each fiscal year that any portion of the Purchase Price  
7    payable under the Installment Purchase Agreement remains  
8    outstanding, *ad valorem* taxes on real and tangible personal  
9    property and intangible property subject to taxation by the County,  
10   without limitation of rate or amount, and, in addition, upon such  
11   other intangible property as may be subject to taxation by the  
12   County within limitations prescribed by law, in an amount  
13   sufficient, together with the portion of the transfer tax imposed  
14   on transfers of real property in Harford County which is dedicated  
15   to agricultural land preservation and other available funds, to pay  
16   any installment of the Purchase Price under the Installment  
17   Purchase Agreement maturing during the succeeding year and to pay  
18   the annual interest on the outstanding balance of the Purchase  
19   Price until all of the Purchase Price under the Installment  
20   Purchase Agreement and such interest have been paid in full; and  
21   the full faith and credit and the unlimited taxing power of the  
22   County are hereby irrevocably pledged to the punctual payment of  
23   the Purchase Price under the Installment Purchase Agreement and the  
24   interest on the unpaid balance of the Purchase Price as and when  
25   the same respectively become due and payable.

1        SECTION 8. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF  
2        HARFORD COUNTY, MARYLAND, That this Ordinance shall take effect  
3        sixty (60) calendar days after it becomes law.

EFFECTIVE: November 2, 1998

The Acting Council Administrator of the Council  
does hereby certify that fifteen (15) copies of  
this Bill are immediately available for  
distribution to the public and the press.

  
\_\_\_\_\_  
Acting Council Administrator

TLMC:99AGLAND\TROUT.ORD  
July 16, 1998

HARFORD COUNTY BILL NO. 98-34(Brief Title) Agricultural Land Preservation -  
Trout Property

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

Diane Swint Levin  
Acting Council AdministratorJoanne S. Parrott  
President of the CouncilDate September 1, 1998Date Sept. 1, 1998

BY THE COUNCIL

Read the third time.

Passed: LSD 98-24

Failed of Passage: \_\_\_\_\_

By Order

Diane Swint Levin  
Acting Council Administrator

Sealed with the County Seal and presented to the County Executive for approval this 3rd day of September, 1998 at 3:00 p.m.

Diane Swint Levin  
Acting Council Administrator

BY THE EXECUTIVE

Eileen M. Redmann  
COUNTY EXECUTIVEAPPROVED: Date September 3, 1998

BY THE COUNCIL

This Bill (No. 98-34), having been approved by the Executive and returned to the Council, becomes law on September 3, 1998.

Diane Swint Levin  
Acting Council Administrator

EFFECTIVE DATE: November 2, 1998